GOVERNMENT OF INDIA
MINORITY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:4467
ANSWERED ON:14.12.2016
NMDFC Loan
Singh Shri Uday Pratap

Will the Minister of MINORITY AFFAIRS be pleased to state:

(a) the rate of interest on concessional loan provided for socio-economic development of backward classes of minority community during the last two years and the current year;

(b) whether the Government has increased the share of Rs. 150 crore grant to National Minorities Development & Finance Corporation (NMDFC) during the last two years and the current year; and

(c) if so, the State/UT-wise details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF MINORITY AFFAIRS

(SHRI MUKHTAR ABBAS NAQVI)

(a): National Minorities Development and Finance Corporation (NMDFC), provides concessional loans to minorities for self-employment and income generating activities, through the State Channelising Agencies (SCAs) nominated by the respective State Governments/UT Administration. For availing assistance under NMDFC schemes, under Credit Line -1, the annual household income eligibility criterion is Rs.81,000 for rural areas and Rs.1.03 lakh for urban areas. Higher annual household income eligibility criterion of upto Rs.6.00 lakh under Credit Line − 2 has also been introduced for increasing coverage of beneficiaries under NMDFC schemes.

The rates of interest under variouslending schemes of NMDFC,implemented during the last two years and the current year is as follows:-

1. Term Loan:- Maximum Loan of up to Rs.20.00 Lakh per beneficiary is available under Credit Line-1 at an interest rate of 6% per annum.
Higher loan of maximum up to Rs.30.00 Lakh per beneficiary is available under Credit Line-2 at an interest rate of 8% per annum for male beneficiaries and 6% per annum for female beneficiaries.

2.Micro Finance:-Maximum loan upto Rs.1.00 lakh per Self Help Group (SHG) member is available under Credit Line -1 at an interest rate of 7% per annum.
Higher loan of maximum upto Rs.1.50 lakh per SHG member is available under Credit Line-2 at an interest rate of 10% per annum for male beneficiaries and 8% per annum for female beneficiaries.

3. Educational Loan:- The Educational Loan of upto Rs.15.00 lakh (Rs.20 lakh for courses abroad) is available at an interest rate of 3% per annum for pursuing technical and professional courses with maximum course duration of 5 years. The scheme is implemented through SCAs and is available under Credit Line-1.
Higher Educational Loan of upto Rs.20.00 lakh (Rs.30 lakh for courses abroad) under Credit Line-2 is available at an interest rate of 8% per annum for male candidates and at 5% per annum for female beneficiaries.

(b) and (c): The authorised share capital of NMDFC has been increasedfrom Rs. 1500 crore to Rs.3,000 croreon 10th February, 2015. Ministry contributes equity to the NMDFC. During last two years and the current year, Ministry has already contributed Rs. 290 crore as Central Government equity contribution to NMDFC.

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